#### ONE HUNDRED FOURTEENTH CONGRESS

# Congress of the United States

## House of Representatives

#### COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515–6115

Majority (202) 225–2927 Minority (202) 225–3641

October 26, 2015

Mr. Patrick Allen
Director
Oregon Department of Consumer and Business Services
350 Winter Street, N.E.
PO Box 14480
Salem, OR 97309

Dear Mr. Allen:

Thank you for appearing before the Subcommittee on Oversight and Investigations on Tuesday, September 29, 2015, to testify at the hearing entitled "An Overdue Checkup: Examining the ACA's State Insurance Marketplaces."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

Also attached are Member requests made during the hearing. The format of your responses to these requests should follow the same format as your responses to the additional questions for the record.

To facilitate the printing of the hearing record, please respond to these questions and requests with a transmittal letter by the close of business on Monday, November 9, 2015. Your responses should be mailed to Jessica Wilkerson, Oversight Associate, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, DC 20515 and e-mailed in Word format to jessica.wilkerson@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,

Chairman

Tim Murphy

Subcommittee on Oversight and Investigations

cc: Diana DeGette, Ranking Member, Subcommittee on Oversight and Investigations

Attachments

#### Attachment 1—Additional Questions for the Record

## The Honorable Susan W. Brooks

- 1. In Indiana we have a significant population below 150% of the federal poverty level (FPL) enrolled in the Indiana Marketplace, the majority of which those below 138% FPL should have moved to the Healthy Indiana Plan (HIP) once it became available. The Administration, however, maintains a 'passive' re-enrollment where individuals are kept in the Marketplace even if they don't update their financial information; in many cases individuals are not informed that they may actually qualify for the less costly HIP program.
  - a. How do you view this omission? Is this a leadership issue? Is it an intentional lack of transparency?
- 2. In Indiana, initial projections showed that 500,000 Hoosiers were eligible for tax subsidies through the federal marketplace. Instead, recent numbers show that enrollment is less than 150,000.
  - a. 350,000 is more than a minor calculation error. In your experience, how would you explain this vast discrepancy?

#### The Honorable Bill Flores

The State of Oregon is currently engaged in litigation with its contractors regarding its former state exchange, Cover Oregon.

- 1. How does Oregon plan to pay for the cost of the litigation? What are the sources of funding Oregon is using or plans to use to cover the cost of litigation?
- 2. How much does Oregon anticipate the litigation to cost?
- 3. Has Oregon established a budget itemizing past and current litigation expenses, as well as anticipated future litigation expenses?

### Attachment 2—Member Requests for the Record

During the hearing, Members asked you to provide additional information for the record, and you indicated that you would provide that information. For your convenience, descriptions of the requested information are provided below.

## The Honorable Tim Murphy

- 1. Please provide the committee with a detailed breakdown of the establishment and operational costs for the exchange that you represent.
- 2. Is the exchange which you represent required to perform an audit examining how grant money was spent, either at the state or federal level? If so, please provide the committee with copies of any and all applicable audits.
- 3. What does the exchange you represent anticipate future costs to be? How will your state absorb those costs?

#### The Honorable Larry Bucshon

1. Please provide an itemized accounting of all expenditures related to the \$305 million grant received by the state of Oregon in order to establish a state exchange.

#### The Honorable Susan W. Brooks

- 1. Does CMS permit establishment grant dollars to be spent on the transitional costs to healthcare.gov?
- 2. What are the transitional costs faced by the exchange you represent as it transitions to healthcare.gov?

## The Honorable Greg Walden

1. Did Oregon incur any additional costs when it migrated to healthcare.gov?